Decision No. 29200

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of) THE GRAY LINE, INC. (San Francisco)) for permission to consolidate into) one unified operation and service) fifteen sight-seeing tours, and for) an "in lieu" certificate.

Supplemental Application No. 20401

BY THE COMMISSION

SUPPLEMENTAL OPINION

By this supplemental application and amendments thereto, The Gray Line, Inc. seeks authority from this Commission to reroute its Tours Nos. 5- 15 and 16, known as the Oakland-Berkeley-Piedmont Tour, the Yosemite Velley-Del Monte and Big Trees Tour and the Oakland-Berkeley-Muir Woods-Bridges Scenic Tour, respectively, via the San Francisco-Oakland Bay Bridge as an alternate route and also seeks authority to operate a tour number 17, to be known as the San Francisco-Oakland Bay Bridge-Lake Merritt Tour, from the Gray Line Depot, 781 Market Street, San Francisco to 5th and Harrison Streets, San Francisco, thence over the San Francisco-Oakland Bay Bridge to 38th and Market Streets, Oakland, thence to and around Lake Merritt, thence to Southern Pacific Ferry, 7th Street, Oakland, thence by ferry to San Francisco, returning to Depot at 781 Market Street.

Applicant alleges that numerous requests have been received from tour agencies throughout the country both for long and short tours via the new bridge for the purpose of passing over and also viewing said bridge and also alleges that assurance has been received from bridge authorities that no objection will be raised to such bridge operation.

1.

JB

This appears to be a matter in which a public hearing is not necessary. The application will be granted.

The Gray Line, Inc. is hereby placed upon notice that "Operative rights" do not constitute a class of property which should be capitalized or used as an element of value in determining reasonable rates. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any time by the state which is not in any respect limited to the number of rights which may be given.

SUPPLEMENTAL ORDER

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by The Gray Line, Inc. of a sight-seeing service via the San Francisco-Oakland Bay Bridge as an alternate route only for its tours Nos. 5, 15, and 16 as they have heretofore been designated and defined in Decision No. 28869, dated June 8, 1936, and the establishment and operation of a new sight-seeing tour No. 17, known as the San Francisco-Oakland Bay Bridge-Lake Merritt Tour, via the San Francisco-Oakland Bay Bridge over and along the following route:

> "Leaving The Gray Line, Inc. Depot at 781 Market Street, San Francisco, to 5th and Harrison Streets, San Francisco, thence over the San Francisco-Oakland Bay Bridge to 38th and Market Streets, Oakland, thence to and around Lake Merritt, thence to Southern Pacific Ferry, 7th Street, Oakland, thence by ferry to San Francisco, returning to depot."

IT IS HEREEY ORDERED that a certificate of public convenience and necessity therefor be, and the same is, hereby granted to The Gray Line, Inc., subject to the following conditions:

2.

1. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from date hereof.

2. Applicant shall commence the service herein authorized within a period of not to exceed thirty (30) days from the effective date hereof, and shall file in triplicate and concurrently make effective on not less than five days' notice to the Railroad Commission and the public a tariff or tariffs constructed in accordance with the requirements of the Commission's General Orders and containing rates and rules which in volume and effect, shall be identical with the rates and rules shown in the exhibit attached to the application in so far as they conform to the certificate herein granted, or rates and rules satisfactory to the Railroad Commission.

3. Applicant shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days after the effective date of this order, on not less than five days' notice to the Railroad Commission and the public, time schedules covering the service herein authorized in a form satisfactory totthe Railroad Commission.

4. The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been obtained.

5. No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by applicant under a contract or agreement on a basis satisfactory to the Railroad Commission.

For all other purposes the effective date of this order shall be ten (10) days from the date hereof.

Dated at San Francisco, California, this <u>26</u> day of October, 1936.